2013 FROST & SULLIVAN
SOUTHEAST ASIA
WEB APPLICATION FIREWALL
MARKET SHARE
LEADERSHIP AWARD
ASEAN WEB APPLICATION FIREWALL MARKET 2012 OVERVIEW

The Web Application Firewall (WAF) market in ASEAN continued to gain momentum as a result of stringent regulatory compliances, be it local or international ones such as PCI DSS. The market recorded a size of US$7.6 million, representing a robust growth of 19.7 per cent in 2012.

Singapore maintained its position as the largest adopter of WAF with a contribution of 35.3 per cent in the ASEAN region, followed by Malaysia and Indonesia. More importantly, 2012 witnessed a strong performance in emerging markets such as Thailand and the Philippines. Indonesia in particular witnessed an impressive growth of 66.9 per cent in 2012. This was primarily driven by the growing awareness among enterprises, especially those from BFSI and government sectors. In addition, peripheral vertical markets such as retail, logistics, and oil & gas also made a large contribution to the growth of the market.

The demand for WAF solutions in the region was primarily driven by the improved awareness of customers as well as the growing frequency of high-profile attacks targeting web applications in the enterprises’ network infrastructure. The pressure about regulations that enterprises had to comply with was also forcing them to invest more in the solution. In addition, with the adoption of enterprise mobility and the cloud increasing, it was more imperative than ever for enterprises to look at in-depth defense solutions to protect both their applications and data.

Although the market is still very much dominated by the adoption of stand-alone appliances, there is an increasing trend to adopt WAF technology as an add-on or software module on top of other platforms such as an application delivery platform.

Moving forward, the WAF market in ASEAN is expected to present a robust growth, with a compound annual growth rate (CAGR) of 39.7 per cent for the period of 2012 to 2019. In addition, the demand for WAF as a service is also likely to increase in the next few years as a result of the transition from a CAPEX to OPEX model.
The Frost & Sullivan Best Practices Award is an acknowledgement of companies that excel in their business segments, and are noted for their efforts to improve the industry as a whole.

The 2013 Frost & Sullivan Southeast Asia Web Application Firewall Market Share Leadership Award recognizes the exemplary leadership and performance of vendor in the Web Application Firewall market in ASEAN in 2012. The contenders of this award will be evaluated based on the following key criteria:

- Revenue and Revenue Growth
- Product Portfolio/ Diversity
- Regional Coverage
- Key Innovations/Achievements

Creating a Shortlist of Nominees

The companies short-listed for each of the Frost & Sullivan Asia-Pacific Best Practices Awards were selected by our analysts, based on their expert knowledge and analysis of the market.

The companies were typically assessed on their revenues, market share, capabilities, and overall contribution to the industry. The short listed companies were interviewed, and the analysts compared the data collected with proprietary Frost & Sullivan resources, as well as secondary research available from public sources.
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Maintained Market Leadership Position despite Stiff Competition
Imperva continued to maintain its market leadership position in the ASEAN web application firewall market in 2012, despite the growing challenges posed by competition in the region. Imperva captured a market share of 34.6 per cent in 2012 as compared to the 26.5 per cent gained by its closest competitor. Competition in the ASEAN WAF market is growing rapidly with global vendors continuing to expand their business and product portfolios, along with a number of Asia-based vendors aggressively expanding their presence in the region. The market leadership position maintained by Imperva reflects the efforts, as well as effective market strategy, that the vendor has demonstrated.

Deep Understanding towards Market Demand
The ability to understand increasingly sophisticated attacks and malicious insider threats enables the vendor to deliver best-in-class products which have been widely recognised by customers in the region. At the same time, the capability to deliver an integrated approach across multiple data center platforms to secure data and applications, enables it to meet the rising demand for data center security in the region.

As enterprises consider the defense-in-depth approach for their application and data security, the ability of Imperva’s WAF solution to communicate seamlessly with its database security also enables the vendor to offer all-round security capabilities. This is increasingly seen as a competitive advantage over its competitors in the WAF space.

Expansion of Sales Forces Drives the Growth
The success of Imperva is greatly attributed to the efforts of enhancing its sales structure and local presence over the past few years. The expansion of its sales force and marketing resources across the region helps it to tap on growing business opportunities, while further penetrating existing accounts across key verticals such as government, BFSI and service providers. This also played a key role in driving its growth during the year. With the current state of the ASEAN WAF market, Imperva is well-positioned to tap on an immense number of green-field opportunities.

Strong Technology Alliances Facilitate the Go-to-Market Strategy
The technology alliances with the leading vendors such as Cisco and FireEye enabled Imperva to gain greater mindshare among enterprises. The collaboration with Cisco also enables Imperva to streamline the deployment and management of the SecureSphere web application firewall in the virtual environment. As a result, this helps the vendor to provide a more flexible approach to customers when deploying its WAF solutions which offers greater value to its customers. More importantly, the alliance also makes an important contribution in enhancing its distribution partnerships across the region.

In addition, the alliance with FireEye, which took place in early 2013, is expected to help the vendor to gain more traction in the advanced malware protection market. The integration with FireEye’s APT solutions will definitely allow it to further differentiate Imperva’s solutions as its enhanced capabilities will allow protection from more advanced and targeted cyber attacks.

Conclusion
The success of Imperva in 2012 was greatly attributed to the efforts in expanding its resources as well as the perception among ASEAN enterprises that its products are ‘best of breed’. At the same time, its comprehensive product line-up, along with the deep understanding of changing customer needs also differentiates Imperva in the market. In addition, the vendor’s commitment to product development in order to maintain its competitive edge is also one of the key factors that has enabled Imperva to maintain its leading position in this segment. Last but not least, its strong technology alliances also played a key role in its success.
About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, works in collaboration with clients to leverage visionary innovation that addresses the global challenges and related growth opportunities that will make or break today’s market participants. For more than 50 years, we have been developing growth strategies for the global 1000, emerging businesses, the public sector and the investment community. Is your organization prepared for the next profound wave of industry convergence, disruptive technologies, increasing competitive intensity, Mega Trends, breakthrough best practices, changing customer dynamics and emerging economies?

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